

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

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REPORT
OF THE
TARIFF COMMISSION
ON THE CONTINUANCE OF PROTECTION TO THE
OUNTAIN PEN INK INDUSTRY

सत्यमेव जयते

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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

New Delhi, the 14th November, 1953.

RESOLUTION
(Tariffs)

No. 42(i)-T.B./53.- The Tariff Commission has submitted its report on the continuance of protection to the Fountain Pen Ink Industry. The Commission has referred to the progress made by the industry since the grant of protection and the increase both in its rated capacity and in actual production, while the quality of Indian ink has shown considerable improvement. The fair ex-works price of the indigenous product is according to the Commission only slightly higher than the landed cost without duty of the imported product. The main handicap of the Indian industry is consumer's prejudice, but the Commission considers that its disadvantage in this respect is not such as cannot be off-set by the normal revenue duty. Taking into account all these factors, the Tariff Commission has made the following principal recommendations:-

- (i) Protection granted to the Fountain Pen Ink Industry need not be continued beyond 31st December, 1953. If at any time, the industry finds itself unable to meet foreign competition, it may apply to Government for a fresh examination of its case.
- (ii) The Central and the State Governments should as far as possible purchase indigenous ink only.
- (iii) The National Chemical Laboratory and the Industry should collaborate in improving the quality of indigenous ink still further. The manufacturers should make arrangements for the testing of their raw materials and finished products in their own factories and also get their products tested by

Government laboratories like the Alipore Test House. The State Governments should provide facilities for testing the indigenous product at their laboratories at a reasonable cost.

- (iv) All units, particularly those producing foreign brands, should clearly mark their products both on the bottles and on the paper cartons as "made in India".

2. Government accept the recommendations of the Tariff Commission. Necessary steps will be taken to implement them as far as possible.

3. The attention of the industry is invited to recommendations (iii) and (iv).

L. K. JHA,

Joint Secretary to the Government of India.



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**REPORT ON THE CONTINUANCE OF PROTECTION TO
THE FOUNTAIN PEN INK INDUSTRY**

(a) The claim of the fountain pen ink industry to protection or assistance was first examined by the Tariff

Previous Tariff inquiry.	Board in its Report dated 30th May, 1950. The Board made the following principal recommendations :-
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- (i) The existing revenue duty of 37½% *ad valorem* should be converted into protective duty at the same rate and should remain in force for a period of three years.
- (ii) So long as the policy of licensing imports was continued for balance of payments considerations, the desirability of maintaining and expanding the indigenous production of fountain pen ink should be kept in view and the quantum of imports should be regulated accordingly.
- (iii) Government should give the manufacturers all reasonable facilities for the procurement of modern machinery and appliances.
- (iv) All encouragement should be given to those manufacturers who were in a position to export fountain pen ink to foreign countries.
- (v) Government sponsored research institutions should consider the possibility of undertaking research with a view to improving the quality of ink manufactured in India.
- (vi) The Central and the State Governments should give preference to indigenous fountain pen ink in purchasing their requirements.

- (vii) Requests for financial assistance to the industry should be sympathetically considered by the State Governments.
- (viii) The industry and the State Governments should co-operate in rationalising production and marketing.
- (ix) The task of formulating standard specifications, already taken in hand by the Indian Standards Institution should be completed at an early date and the manufacturers should see that their products conform to such specifications.
- (x) The industry should have proper research facilities, better technical supervision and improved equipment.
- (xi) The question of transport facilities should be taken up by the All India Ink Manufacturers' Association directly with the Railway Board.
- (xii) The question of exemption of fountain pen ink from payment of octroi duty should be taken up by the industry direct with the local bodies concerned.
- (xiii) The industry should form an All India Organisation comprising all units in the country and the organisation should collect statistical data regarding production, imports, etc., and distribute such information to its members.

(b) By its Resolution (Tariffs) No. 42(I)TB/50 dated 29th July, 1950, the Government of India in the Ministry of Commerce accepted these recommendations in principle. The Resolution stated that steps would be taken to implement recommendations (i) to (vi) and (ix) as far as possible and that recommendations (vi) to (viii) would be brought to the notice of the State Governments. The attention of the industry was invited to recommendations (ix) to (xiii).

(c) By the Indian Tariff (Amendment) Act, 1951, fountain pen ink was shown separately in the First Schedule to the Indian Customs Tariff against a new item No. 45(5) and the revenue duty of 37½% *ad valorem* was converted to a protective duty at the same rate. Since the period of protection is due to expire on 31st December, 1953, the present inquiry has been undertaken in pursuance of Section 11(e) read with Sections 13 and 15 of the Tariff Commission Act, 1951, under which the Commission has been empowered to enquire into and report on any further action required in relation to the protection granted to an industry, with a view to its increase, decrease, modification or abolition, according to the circumstances of the case.

2. (a) The Commission issued special questionnaires to producers, importers and consumers of fountain pen ink and producers' Associations on 17th April, 1953. On 29th April, 1953, a press Communiqué was issued inviting all persons and Associations interested in this industry to obtain copies of the Commission's questionnaire and submit replies thereto. The Industrial Adviser (Chemicals), Ministry of Commerce and Industry (Development Wing), Government of India, was requested to furnish a memorandum on the present position of this industry and the desirability or otherwise of continuing the protection granted to it. The Director-General of Supplies and Disposals, Government of India, was consulted with regard to the quality of the indigenous product, as well as the steps taken to implement the Board's recommendations. The Commission also addressed the Directors of Industries in the States where the fountain pen ink industry is largely located for information about the present position of the industry, the assistance rendered by the State Governments, the availability of the principal raw materials, the quality of the indigenous product and the extent to which the Tariff Board's recommendations were implemented. They were also requested to express their views on the claim of the industry to continuance of protection and assistance. Information

regarding the licences issued for imports of fountain pen ink during the recent years and the Government's import control policy in respect of this item since the previous Tariff inquiry was obtained from the Chief Controller of Imports and Exports. The Collectors of Customs were addressed for information regarding the latest c.i.f. prices of imported fountain pen ink. A list of those to whom the Commission's questionnaires were issued and from whom replies or memoranda were received is given in Appendix I.

(b) Dr. B.V. Narayanaswamy Naidu, Member, visited the factories of the Pilot Pen Co. (India) Limited and the Parker Pen Co. (India) Limited, both in Madras, on 21st July, 1953. Shri B.N. Adarkar and Shri B.N. Das Gupta, Members, visited the factory of Camlin Limited, Bombay, on 2nd July, 1953 and Shri S.S. Mehta, Technical Adviser and Shri L.M. Ghosh, Assistant Cost Accounts Officer, visited the same factory on 25th May, 1953. Shri B.R. Sengal, Assistant Secretary and Shri L.M. Ghosh, Assistant Cost Accounts Officer, visited Camlin Ltd., Bombay on 27th May, 1953, and Kale's Sales Association Limited, Bombay on 30th June, 1953.

(c) Shri L.M. Ghosh, Assistant Cost Accounts Officer, examined the cost of production of fountain pen ink at the following four factories on the dates mentioned against each:-

Sl. No.	Name of the factory	Date of visit
1.	Camlin Limited, Bombay.	25th to 27th May, 1953
2.	Krishnaveni Inks, Madras.	9th to 11th June, 1953.
3.	Pilot Pen Co. (India) Ltd., Madras.	11th to 13th June, 1953.
4.	Kale's Sales Association Ltd., Bombay.	30th June and 1st July, 1953.

(d) A public inquiry into this industry was held at the Commission's office in Bombay on 14th July, 1953. A

list of persons who attended this inquiry and gave evidence is given in Appendix II.

3. Reference has been made in paragraph 1(b) to the action taken by Government in regard to the protective duty on fountain pen ink. The position regarding implementation of the Tariff Board's recommendations. the implementation of the other recommendations of the Board is briefly described below:-

(i) *Import Control Policy*

During the three shipping periods following the last tariff inquiry, no licences were issued for imports of fountain pen ink from any source. Since the beginning of 1952, however, some imports have been allowed from soft currency sources only.

(ii) *Facilities for imports of machinery and for exports of fountain pen ink*

The industry has had no occasion to ask for any special assistance in these matters.

(iii) *Assistance from Government research institutions*

The All India Ink Manufacturers' Association, Madras, has stated that the Government research institutions have so far not offered any assistance to the industry. We understand, however, from the representative of the National Chemical Laboratory who attended the public inquiry that the Laboratory is prepared to undertake research on any specific problem which the industry may refer to it.

(iv) *Government purchases of indigenous fountain pen inks*

We understand from the Director of Industries with the Government of Bombay that it is the policy of the State Government to give the indigenous product unlimited quality preference and 5 per cent. price preference over the imported products while purchasing fountain pen ink for Government Departments. He has stated that the Bombay Government

purchased their requirements of fountain pen ink for 1952-53 from a factory in Bombay, and that a contract for 1953-54 has also been given to an indigenous producer. The Director of Industries, West Bengal, has informed us that the recommendation of the Tariff Board regarding the purchase of indigenous fountain pen ink has been accepted by the State Government and that a price preference of 15 per cent. is accorded to the indigenous product. The Director of Cottage Industries, U.P., however, has stated that no regular arrangement for the supply of fountain pen ink has been made by the Stores Purchase Department in that State because there is not much demand for fountain pen ink from Government Departments. The All India Ink Manufacturers' Association has complained that some of the State Governments still purchase foreign ink.

(v) *Financial assistance*

We have been informed by the Director of Industries, Bombay, that the State Government has not granted financial assistance to any fountain pen ink manufacturer under the State Aid to Industries Rules, 1935. In one case, an application for loan was refused because the applicant could not provide adequate security. The Director of Cottage Industries, Kanpur, has stated that loans and grants were given to two parties for conducting research on fountain pen ink, but that the results were not encouraging.

(vi) *Rationalisation of production and marketing*

This matter has been receiving the attention of the Government of Bombay and we understand from the Director of Industries in that State that a report on this subject will shortly be submitted to the State Government. No information has been received about the action taken by the other State Governments in this matter.

(vii) *Standard specifications*

Since the last inquiry, the Indian Standards Institution

has formulated standard specifications No. IS: 220-1950 for fountain pen ink.

(viii) Research and technical supervision

A producer in Bombay claims to have found out suitable chemical solvents for fountain pen ink and to have thereby improved the quality of his product. We understand from the same producer that investigations into (a) the use of centrifuge in the manufacture of ink and (b) the effect of alkalinity of glass on the stability of ink are also in progress. Some of the producers have installed automatic machinery for operations like leak testing, labelling, etc.

(ix) Transport facilities

The All India Ink Manufacturers' Association, Madras, have stated that their representations to the transport authorities regarding the difficulties experienced by producers did not receive prompt attention and that the facilities which were granted fell far short of the needs. The manufacturers have also complained about the freight rates on fountain pen ink and the lack of uniformity in the wharfage rates charged by different railways. We suggest that these matters may be taken up by the industry directly with the transport authorities.

(x) Exemption from octroi duties

While many of the producers have repeated their earlier suggestion that fountain pen ink should be exempted from octroi duties, we understand that no representation has yet been made to the local authorities concerned by the Association or any of the units.

(xi) Formation of an All India Fountain Pen Ink Manufacturers' Association

There is at present one association, namely, the All India Ink Manufacturers' Association in Madras but no association exists in other regions. We understand that some of the units are endeavouring to form regional organi-

sations and that it is proposed to federate them into an All-India body in due course.

4. (a) At the previous inquiry, the Tariff Board estimated the annual domestic demand for fountain pen ink at roughly 1,440,000 dozen bottles of 2 oz. each. The Board observed that it was not possible with the statistical data then available to estimate with any great accuracy the domestic demand for this article. On the present occasion, we have received estimates varying from 200,000 dozen bottles to 7,500,000 dozen bottles. All the estimates are in terms of bottles of 2 oz. each. One of the producers has estimated the demand at 600,000 dozen bottles and another at 7,500,000 dozen bottles, but the majority of the producers place the demand at 1,440,000 to 2,500,000 dozen bottles. As regards importers, one of them has estimated the demand at 250,000 dozen bottles a year and another at 5,000,000 to 5,500,000 dozen bottles for the next three years. The Development Wing (Chemicals) of the Ministry of Commerce and Industry has estimated the present annual demand at only 743,000 dozen bottles on the basis of the estimated production in 1951 and the imports in 1951-52, and has expressed the view that the demand may increase to about 1,000,000 dozen bottles during the course of the next three years. These estimates were discussed at the public inquiry. It was generally agreed that the estimate adopted at the last inquiry, viz., 1,440,000 dozen bottles of 2 oz. each, was on the high side.

(b) In re-assessing the demand, we have taken into account the available data regarding domestic production and imports. As regards production, it will be seen from the statement in Appendix III that 42 units produced 617,313 dozen bottles in 1951 and that 49 units produced 597,974 dozen bottles in 1952. Thus the average annual production of fountain pen ink by units for which information is available amounted to about 608,000 dozen bottles. There are, however, some small units for which no information is available. Taking the output of such units at about 10

per cent of the output of those for which information is available, the average annual production during the last two years may be estimated at about 670,000 dozen bottles. Imports were valued at Rs. 3,16,766 in 1951-52 and Rs. 4,50,822 in 1952-53 or about Rs. 384,000 on an average. It was estimated at the public inquiry that about 80 per cent. of the imports could be taken as consisting of 2 oz. bottles, with an average c.i.f. price of Rs. 4/- per dozen bottles, and remaining 20 per cent. of 20 oz. bottles, with an average c.i.f. price of Rs. 24/- per doz. bottles. On this basis, the average quantity of fountain pen ink imported in the two years may be estimated at 108,800 doz. bottles of 2 oz. each (made up of 76,800 doz. bottles of 2 oz. each and 3,200 doz. bottles of 20 oz. each equivalent to 32,000 doz. bottles of 2 oz. each). Thus, the apparent consumption of fountain pen ink during the last two years, as represented by the sum total of production and imports, may be estimated at 778,800 doz. bottles of 2 oz. each. After allowing for a possible increase in consumption owing to the spread of education we estimate that the annual domestic demand for fountain pen ink is likely to be of the order of 900,000 dozen bottles of 2 oz. each in the near future.

(c) The difference between the estimate of domestic demand given above namely, 900,000 dozen bottles and that adopted by the Tariff Board at the last inquiry, namely, 1,440,000 dozen bottles needs some explanation. Our estimate is based on fuller information regarding production and imports than was available on the last occasion. Further, the revised estimate relates to good quality ink only. The estimate could be higher if the consumption of so called "fountain pen ink" produced by certain very small units, which is very cheap and is suitable for use only with low priced fountain pens, were taken into account. This type of ink has a distinct market which cannot be supplied by higher priced good quality ink.

5. (a) At the time of the previous inquiry, the Tariff Board was informed that there were 77 fountain pen ink factories in the country, but the Board could obtain information regarding the rated capacity and production of only 23 of them. During the course of the present inquiry, the Commission has been informed by the All India Ink Manufacturers' Association that there are at present 103 units out of which 24 came into existence since the previous inquiry. As the fountain pen ink factories are mostly small and widely dispersed, it has not been possible to verify the total number of factories and their actual production. We have received information from 53 producers of whom 17 are in U.P., 13 in Madras, 9 in Bombay, 11 in West Bengal and 1 each in Assam, Mysore and Travancore-Cochin. Of the 23 units for which statistics were given in the previous Report, 4 units of which 3 units in Bombay State and 1 in West Bengal, have gone out of production, and 17 new units of which 14 are located in U.P., 2 in Madras State and 1 in Bombay State have come into existence. At the time of the previous inquiry, 23 units for which information was then available, were found to have a total annual rated capacity of 1.59 million dozen bottles of 2 oz. each. In the present inquiry, of 53 units which have replied to the Commission's questionnaire, only 44 units have given their annual rated capacity which adds up to 3.52 million dozen bottles of 2 oz. each. This includes the capacity of 2 new units viz., Pilot Pen Co. (India) Ltd., and Parker Pen Co. (India) Ltd., both of Madras, which together have an annual rated capacity of 660,000 dozen bottles of 2 oz. each. The All India Ink Manufacturers' Association has represented that foreign units like these with established goodwill should not have been allowed to be set up, since the units already in existence had sufficient capacity to meet domestic demand. One of the new units, however, has already come into production and the other will start production soon. We have no doubt that before allowing any other foreign units to be established whether independently or in collaboration with Indian

entrepreneurs Government will have due regard to the data given in this Report regarding domestic demand, the existing capacity of the industry and the progress made by it in regard to the cost and quality of its products.

(b) As regards actual production, 23 units for which information was available at the previous inquiry, produced 191,526 dozen bottles of 2 oz. each in 1947, or about 12 per cent. of their rated capacity; while in 1951, 42 units produced 617,313 dozen bottles of 2 oz. each or 25 per cent. of their rated capacity and in 1952, 49 units produced 597,974 dozen bottles of 2 oz. each or 23 per cent. of their rated capacity. Detailed information regarding the annual rated capacity of the various units and actual production in 1950, 1951 and 1952 is given in Appendix III. It will be seen that 10 major units situated in Bombay, Calcutta and Madras account for about 45 per cent. of the total known capacity and about 80 per cent. of the corresponding total output. A number of small units have not reported their capacity or production, but it is believed that their total capacity and production are unlikely to be more than 10 per cent. of the aggregate figures for the units for which information is available. Since the grant of protection, the industry has expanded considerably, a number of new units have come into existence and both the rated capacity and actual production have shown a marked increase.

6. (a) The quality of indigenous fountain pen ink was discussed at considerable length at the public inquiry. The quality of the indigenous product. importance of this factor for the future development of the industry can hardly be exaggerated. We are advised that good quality fountain pen ink should (i) write bright, with good colour depth, (ii) be permanent after washing (this is particularly important for blue black ink), (iii) have a smooth flow and should be free from clogging or sediment formation, (iv) be stable and should have no corrosive effect on the nib, (v) not have any feathering tendency or excessive vertical penetration,

and (vi) dry quickly. Since the last inquiry the Indian Standards Institution has also evolved standard specifications (No.IS:220-1950) for fountain pen ink. Most of the producers have claimed that the quality of their product has considerably improved since the last inquiry, and that it conforms fully to the ISI specifications. Some producers have got their product tested at well known testing institutions such as the Alipore Test House, Calcutta. One of the producers, Camlin Ltd., has supplied us with a comparative analysis of different indigenous and imported fountain pen inks, which shows that some inks manufactured in the country are definitely comparable to the best inks imported from abroad and are even superior in some respect to certain foreign brands. The analysis supplied by Camlin Ltd. included five brands of foreign ink and three of Indian ink. The proportion of total solids (i.e., colour, astringent acids and ferrous sulphate), which determines brightness and colour depth was found to be higher in the case of three foreign inks, but in the case of one Indian ink, it was within the maximum limit prescribed in the ISI specification. The ISS limit is much lower than the actual proportion of total solids found in four out of the five foreign inks. The iron content determines the permanency of the ink, but its adverse effects on the keeping quality of the ink (i.e., its freedom from sediment or flake formation) have to be counteracted by mineral acids, an undue increase in which, however, causes a corrosive tendency. The relative proportions of these elements vary in different foreign as well as indigenous brands, with consequent variations in their permanency and keeping quality; one popular foreign brand was found to be more permanent, but showed a heavy tendency to sediment and flake formation, possibly because of its high iron content, while another foreign brand, equally well known, was quite stable but contained so little iron as to be fugitive to water washing. One of the three Indian inks which were analysed was found to conform to the ISS limits in respect of iron and acid content. The keeping quality of two

Indian inks was found to be quite satisfactory, but the third Indian ink showed a slight tendency to sediment formation. One of the Indian inks had less viscosity than any of the five foreign inks analysed, while all the three Indian inks had less surface tension than three of the foreign inks. Less viscosity and lower surface tension give a better flow, though an undue reduction in surface tension may cause too much wetting and hence excessive penetration. The wetting property of different inks could not be determined for want of apparatus, but from a qualitative analysis, the wetting effect of two Indian inks was found to be higher than that of foreign inks. The quality of ink depends on the sum total of these various properties, but it appears from this analysis that the imported inks are not necessarily perfect in all respects. In some respects certain Indian inks are superior to some of the well-known foreign inks, and while they still suffer from defects, such defects are also found in some of the foreign brands which are nevertheless highly popular in this country. Many of the characteristics of good ink, such as smooth flow, stability, quick drying, etc., are obtained by the use of certain organic solvents and these being a trade secret have to be discovered by each manufacturer by a process of trial and error. The leading Indian producers have already started using such solvents and have thereby improved the quality of their ink.

(b) Despite this improvement, however, the evidence received by us shows that the consumers are still critical of the quality of the indigenous product. The main defects attributed to indigenous ink, namely, sedimentation, higher acidity and clogging, have been overcome by some of the producers, but several inferior brands are still produced and sold in the country and these affect the reputation of the industry in general. The producers have pointed out that the prejudice against indigenous ink is also partly due to the propaganda carried out by importers that only the ink produced by the pen makers should be used to prolong the life of a pen, and partly to the fact that the

dealers generally stand to earn higher profits by selling imported ink and are, therefore, not interested in pushing the sales of the indigenous product. We think that lack of uniformity in the quality of indigenous ink is also responsible for the existing state of affairs. The restrictions on imports have had the result of maintaining a wide difference between the prices of imported and indigenous ink, and while this has helped to overcome the consumer's prejudice to some extent, the evidence received from importers leaves no doubt that the users of costly fountain pens often prefer to buy only imported ink despite its higher price. The only way the producers can break down this prejudice is by a steady endeavour to improve the quality of their product still further. It is gratifying to note that some of the producers have developed their own research facilities and as stated earlier, they have also installed automatic machinery for certain operations like leak testing and labelling. The representative of the National Chemical Laboratory, Poona, who attended the public inquiry expressed the view that the production of inferior ink in India was mainly due to lack of sufficient care on the part of some of the manufacturers in regard to the use of pure chemicals, distilled water and the correct quantity of acid and the selection of the right quality of dye. Certain chemicals like ferrous sulphate deteriorate in storage and it is necessary to test them before use. The Laboratory has expressed its willingness to undertake research on any specific problem that may be referred to it by the industry, and also to give advice and assistance to individual manufacturers. The manufacturers have stated that they would welcome such advice particularly in regard to the organic solvents to be used in the manufacture of fountain pen ink. We recommend that the National Chemical Laboratory and the industry should collaborate in improving the quality of indigenous ink. We recommend, further, that the indigenous producers should make arrangements for the testing of their raw materials and finished products in their own factories and also get their products tested by Government

laboratories like the Alipore Test House. The State Governments should also provide facilities for testing the indigenous product at their laboratories at a reasonable cost.

7. (a) *Imports:-* Statistics of imports of fountain pen ink have been recorded separately in the Accounts relating to the Foreign Trade and Navigation of India since April, 1950 in terms of value only. The U.K. has been the principal source of supply. The value of imports of fountain pen ink during the period from 1950-51 to 1952-53 was as follows:-

<u>Year</u>	<u>Imports</u>
Rs.	Rs.
1950-51	1,76,385
1951-52	3,16,766
1952-53	4,50,822

It will be seen from the above figures that imports in 1952-53 increased by more than 42 per cent. as compared with those in 1951-52.

(b) *Import Control Policy:-* Fountain pen ink is not shown as a separate item in the Import Control Schedule, but is included in the stationery articles listed under S.No. 168 of Part IV. During the three shipping periods following the last inquiry, viz., July-December, 1950 to July-December, 1951, licences for imports of fountain pen ink were not granted from any source. During January-June, 1952 imports of fountain pen ink were permissible from soft currency area only, upto a value not exceeding 1/40th of the face value of the import licences for stationery articles which were granted to established importers to the extent of 40 per cent. of one half of their best year's imports. During the next two shipping periods, viz., July-December, 1952 and January-June, 1953, the import control policy was liberalised and imports to the extent of twice the quantity permissible during January-June, 1952 were allowed

from soft currency area only. Further, during January-June, 1953, by the Import Trade Control Public Notice No.69-ITC (PN) /53, dated 18th April, 1953 (vide Appendix V), the Government of India decided to grant additional licences equal to 1/5th of the face value of the quota licences granted for the articles falling under S.No. 168(b) of Part IV. Against these additional licences, imports of fountain pen ink were permissible from soft currency area only upto a value not exceeding 1/20th of these additional licences. During July-December, 1953, imports of fountain pen ink are permissible from soft currency area upto a value not exceeding 10 per cent. of the face value of the import licences for stationery articles which will be granted to established importers to the extent of 50 per cent. of one half of their best year's imports. Further, import licences for fountain pens, which are granted to the established importers to the extent of 15 per cent. of one half of their best year's imports, can be utilized for imports of fountain pen ink upto 2½ per cent. of their face value, or upto Rs. 750/-, whichever is less.

8. Until 28th February, 1953 fountain pen ink was assessed to duty at 39.3/8 per cent. *ad valorem* under Existing rate of import duty. Item No. 45(5) of the First Schedule to the Indian Customs Tariff (Thirty-seventh Issue). In the Finance Bill, 1953, it was proposed to raise the duty to 66.2/3 per cent. *ad valorem*, and the enhanced rate was provisionally brought into force with effect from 28th February, 1953, under the Provisional Collection of Taxes Act of 1931. The enhanced duty has been given statutory effect by the Finance Act, 1953.

9. (a) The Assistant Cost Accounts Officer examined the cost of production of fountain pen ink at the following Commission's estimate of four factories:-
cost of production and
fair ex-works price.

- (i) Camlin Ltd., Bombay,
- (ii) Kale's Sales Association Ltd., Bombay,

- (iii) Krishnaveni Inks, Madras,
- (iv) Pilot Pen Co. (India) Ltd., Madras.

Camlin Ltd. was converted into a private limited concern with effect from 1-1-1947; Krishnaveni Inks remains a proprietary concern; Kale's Sales Association Ltd. is a public limited Company and the Pilot Pen Co. (India) Ltd. was started on 13th October, 1952, as a private concern.

All the firms manufacture mostly blue-black and blue ink and sell it in 2½ oz. size bottles. The latest periods for which cost data were available were January to December, 1952, for Camlin Ltd., October, 1952 to March, 1953 for Kale's Sales Association and Pilot Pen Co., and April, 1952 to March, 1953 for Krishnaveni Ink. As these firms do not record the actual quantities of raw materials used for different types of ink, the cost of raw materials was calculated on the mixing formula adopted by each firm. As the firms manufacture several other articles, besides fountain pen ink, the processing cost of fountain pen ink had to be estimated.

(b) The firms desired that the details of their costs of production should be kept confidential. The details have been given in the Cost Report which is being forwarded to Government as a separate confidential enclosure to this Report. We consider that the average of the estimates of costs for the four units would be representative of the industry as a whole and we have framed an estimate of the fair ex-works price of blue-black fountain pen ink for 1953-54 on that basis. The works cost for 1953-54 has been taken as equal to the average of the actual works costs for the four units in respect of all elements except packing which has been reduced from Rs. 2.235 per dozen bottles to Rs. 2.231 in view of certain modifications in the method of packing. The gross block in this industry is very small, and hence 10 per cent. of gross block would not give a fair return to the industry. We have, therefore, allowed 10 per cent. of works cost for return as well as interest on

working capital. Our estimate of the fair ex-works price of blue-black ink for 1953-54 is given below:-

Rs. per dozen bottles
of 2 oz. each

(i) Raw materials cost	0.442
(ii) Processing cost	0.702
(iii) Packing cost	<u>2.231</u>
(iv) Total works cost	3.375
(v) Interest on working capital and return @ 10% on cost of production.	<u>0.337</u>
(vi) Fair ex-works price	<u><u>3.712</u></u>

10. The c.i.f. prices, landed costs and selling prices of fountain pen ink imported from different countries, as furnished by the Collectors of Customs and certain importing firms are given in a statement in Appendix IV. It was agreed at the public inquiry that the latest c.i.f. price of blue-black Waterman Ink, viz., Rs. 3-8-0 per dozen bottles of 2 oz. each, should be adopted for the purpose of comparison with the fair ex-works price of indigenous ink. The landed cost of fountain pen ink on the basis of this c.i.f. price works out as follows:-

Rs. per dozen bottles
of 2 oz. each

(i) C.i.f. price	3.500
(ii) Customs duty @ 66 2/3 per cent.	2.333
(iii) Clearing charges	<u>0.137</u>
(iv) Landed cost, with duty	<u><u>6. 000</u></u>

11. The estimated fair ex-works price of the indigenous product given in paragraph 9 above compares as follows with the landed cost of the imported product given in preceding paragraph:-

Comparison of landed cost of the imported fountain pen ink with the fair ex-works price of the indigenous product.		Rs. per dozen bottles of 2 oz. each
(i) Estimated fair ex-works price.		3.712
(ii) C.i.f. price		3.500
(iii) Customs duty @ 66 2/3 per cent.		2.333
(iv) Clearing charges		0.167
(v) Total landed cost with duty		6.000
(vi) Landed cost without duty		3.667
(vii) Difference between fair ex-works price and landed cost without duty.		0.045
(viii) Difference as a percentage on c.i.f. price.		<u>1.28%</u>

12. It will be seen from the above comparison that the fair ex-works price of the indigenous product exceeds the landed cost ex-duty of the imported product by only 1.28 per cent. of the c.i.f. price of the latter. If no other factor were taken into account, it would appear that a duty of 1.28 per cent. *ad valorem* would be sufficient to place the indigenous product on par with the imported product, while the existing duty is 66 2/3 per cent. *ad valorem*. Indigenous fountain pen ink, however, still suffers from considerable prejudice on the part of consumers and the domestic producers have to incur appreciable expenditure on advertisement in order to popularise their products in competition with well-known foreign brands. On the other hand, some of the units have already earned a

reputation for their products and have greatly expanded their sales. The industry, as a whole, has also made notable progress during the period of protection, in regard to both capacity and production. Its disadvantage in the matter of cost is small and the disadvantage arising from consumers prejudice is not such as cannot be offset by the normal revenue duty. Prior to the grant of protection the revenue duty on fountain pen ink was 30 per cent. *ad valorem* for several years upto 31st March, 1949 and 37½ per cent. *ad valorem* thereafter. We recommend, therefore, that the protection granted to this industry need not be continued beyond 31st December, 1953 when the present period of protection is due to expire. If at any time the industry finds itself unable to meet foreign competition, it may apply to Government for a fresh examination of its case.

13. (i) *Government purchases*:- The industry has complained that several Government Departments still purchase imported fountain pen ink. Since fountain pen ink suitable for use with good quality pens is now produced in the country, we recommend that the Central and State Governments should as far as possible purchase indigenous ink only.

(ii) *Marking of indigenously produced foreign brands as Made in India*:- The All India Ink Manufacturers' Association has represented that the foreign brands produced in India would enjoy an unfair advantage over the indigenous brands if they were not clearly marked as 'Made in India'. We recommend that all units, particularly those producing foreign brands, should clearly mark their products, both on the bottles and on the paper cartons, as 'Made in India'.

14. Our conclusions and recommendations are summarised below:-

<p>(1) The annual domestic demand for good quality fountain pen ink is likely to be of the order of 900,000 dozen bottles of 2 oz. each in the near future. [Paragraph 4(b)]</p>	<p>Summary of conclusions and recommendations.</p>
--	--

(ii) It has not been possible to verify the exact number of units engaged in the manufacture of fountain pen ink. 53 units have replied to the Commission's questionnaire in the present inquiry and the total annual rated capacity declared by 44 of these units comes to 3.52 million dozen bottles of 2 oz. each as compared with 1.59 million dozen bottles declared by 23 units at the last inquiry. [Paragraph 5(a)]

(iii) As compared with 191,526 dozen bottles produced by 23 units in 1947, 42 units produced 617,313 dozen bottles in 1951 and 49 units 597,974 dozen bottles in 1952. [Paragraph 5(b)]

(iv) The quality of indigenous fountain pen ink has considerably improved since the last inquiry. In some respects certain Indian inks are superior to some well known foreign inks, and while they still suffer from defects, such defects are also found in some of the foreign brands which are nevertheless highly popular in this country. [Paragraph 6(a)]

(v) (a) The National Chemical Laboratory and the industry should collaborate in improving the quality of indigenous ink still further. The manufacturers should make arrangements for the testing of their raw materials and finished products in their own factories, and also get their products tested by Government laboratories like the Alipore Test House.

(b) The State Governments should provide facilities for testing the indigenous product at their laboratories at a reasonable cost. [Paragraph 6(b)]

(vi) (a) The fair ex-works price of the indigenous products exceeds the landed cost without duty of the imported product by only 1.28 per cent. of the c.i.f. price, whereas the existing duty is 66 2/3 per cent. *ad valorem*. The indigenous product is still subject to consumer's prejudice, but its disadvantage in this respect is not

such as cannot be offset by the normal revenue duty. Protection granted to this industry need not, therefore, be continued beyond 31st December, 1953.

(b) If at any time the industry finds itself unable to meet foreign competition, it may apply to Government for a fresh examination of its case. [Paragraph 12]

(vii) The Central and the State Governments should as far as possible purchase indigenous ink only. [Paragraph 13(1)]

(viii) All units, particularly those producing foreign brands, should clearly mark their products both on the bottles and on the paper cartons, as 'Made in India'. [Paragraph 13(ii)]

15. We wish to express our thanks to the representatives of manufacturers, importers and consumers for furnishing us with valuable information and giving evidence before us. Our thanks are also due to Dr. K.G. Mathur, Assistant Director of the National Chemical Laboratory, Poona, for assisting us in the inquiry.

B.V. Narayanaswamy,

Member

B.N. Adarkar,

Member.

B.N. Das Gupta,

Member.

D.K. Malhotra,

Secretary

Bombay,

8th September, 1953.

APPENDIX I

[Vide Paragraph 2(a)]

List of persons or bodies to whom the Commission's questionnaires were issued, and from whom replies or memoranda were received.

(*) Indicates those who replied or sent memoranda.

(@) Indicates that they have stopped production.

(x) Indicates that they are not interested.

A. PRODUCERS:

1. Agarwal Brothers,
Bhaironath, Banaras.
2. Agro Industrial Agency,
Deoria (U.P.).
3. Alpha Trading & Manufacturing Company,
Civil Lines, Kanpur.
4. Ashar Ink Company,
"Madhu Kunj", Opp. Civil Hospital,
Jalgaon (East Khandesh).
5. Assam Perfumery & Industrial Works,
Nagsanker Tezpur, Assam.
- *6. Athne's Products,
"Ink House", 4, Second Street,
Abhirampuram, Madras-18.
- *7. Bala Industries Limited,
Amroha Gate, Moradabad.
8. E.V. Ball & Company,
Ram Mohan Road, P.B. 133, Calcutta.
- *9. Bengal Stores Supply,
50, Garpar Road, Calcutta-9.
- *10. Bhagwati Prasad & Company,
(Manufacturers of Premier Ink),
Naubasta, Agra.

APPENDIX I-Contd.

11. Bhamu & Company,
30-31, Kasi Chetty Street, Madras-1.
- *12. Bharat Carbon & Ribbon Manufacturing Co. Ltd.,
543, Basanta Lal Saha Road, P.O. Tollygunge,
Calcutta.
13. Blitz Products,
P.O. Box No. 202, Baroda.
- *14. Camlin Limited,
(Managing Agents:- Dandekar & Company),
Ram Baug, Lady Jamshedji Road,
Bombay-28.
- *15. Cottage Ink Industry,
Kadiri, Anantpur District (South India).
19. Dayalbagh Chemical Works,
Dayalbagh, Agra.
- *17. Dayalbagh Ink Factory,
Kakinade (South India).
18. Dye Products Company,
19, Strand Road, Calcutta.
- *19. Ford Ink Company,
(Proprietors: R.R. Gibson Limited),
P.O. Box 785, Victoria Bunder Road,
Colaba, Bombay-5.
- *20. General Essentials Mfg. Co., & Laboratories,
221, 17th Cross, Malleswaram P.O.,
Bangalore-3.
- *21. Griplex (India) Limited,
C-6, Clive Buildings,
8, Clive Street, Calcutta.
- *22. Harihar Research Works,
Mandvi's Street, Ahmedabad.
- *23. India Ink & Chemical Industries Limited,
36, Rutledge Road, Lucknow.
24. Indian Universal Industries,
Post Box 2251, Delhi.
25. Industrial Research House Limited,
36, Panna Lal Road, Allahabad.
26. G. & B. Industrial Syndicate,
20, Raja Nabakrisan Street, Calcutta.

APPENDIX I- Contd.

27. Jasco Industries & Agencies,
Main Road, Trivandrum (South India).
- *28. Joky Industries (India),
Model House, Lucknow.
- *29. K.V. & Sons,
Bellary (South India).
30. Kala Products,
44, Bunder Street, Madras-1.
- *31. Kale's Ink Manufacturing Company,
Ranade Bungalow, Sibhasnagar,
Kurla, Bombay.
- *32. Kale's Sales Association Limited,
Standard House, Opp. Bail Bazar, Old Kurla,
Bombay.
- x33. S.S. Kapur & Company Limited,
Krishna Mahal, 125, Marine Drive,
Bombay.
34. Karkhanis Brothers,
62, Jaswant Building, Jodhpur.
35. Kempnaver Chemical Works,
Nipani (District Belgaum).
- *36. Keshava Picture Mart,
"SCISSORS" Ink Manufacturers,
Bulandshahr, Sikandarabad District, U.P.
- *37. Kohinoor Industrials (India),
1 & 2 Sugar Mills Road,
Kallianpur P.O. (South India).
38. Lahore Stationery Mart,
Nai Sarak, Delhi.
39. Dr. R.K. Lal & Sons,
Bhaironath Road, Banaras (U.P.).
- *40. McPhall's Trading Company,
110, Chakla Road, Bombay.
- *41. Misra Industrial Trading Corporation,
11/10, Shanti Nagar, Jacob Circle,
Bombay-11.
- *42. Monarch Ink Manufacturing Company,
Badaun (U.P.).

APPENDIX I -Contd.

- *43. H.D. Nariman Brothers,
"Nariman House", 269, Dr. Cowasji Hormusji St.,
Dhobi Talao, Bombay.
- *44. National Products Syndicate,
(Distributors of Krishnaveni Inks),
"Ink Mansion", 141, Govindappa Naick Street,
Madras.
- 45. Navele Brothers,
50, Gandhi Nagar, Bangalore City.
- *46. Neel-kaal Inks,
Kala Parishat, Tenali,
Guntur District (South India).
- *47. Parker Pen Company (India) Limited,
[Managers:- T.A. Taylor & Company (Madras) Limited,]
100, Armenian Street, P.B. 51, Madras-1.
- *48. Pilot Pen Company (India) Limited,
Catholic Centre, Armenian Street,
Madras-1.
- *49. Poona Anath Vidhyarthi Griha,
624, Sadashiv, Poona-2.
- *50. Profile (India) Limited,
Jadavpur Colony, P.O. Jadavpur College,
Calcutta-32.
- 51. Quality Chemical Laboratory,
Kachahari Road, Lucknow.
- *52. Shri Radhey Shyam Chhatri,
Udyog Bhawan, Amroha (U.P.).
- *53. Raj Chemical Works,
Dulheemjee Road, Banaras.
- 54. Raj Limited,
Chowk, Kanpur.
- *55. G.S. Ranade & Company,
Girgaum, Bombay.
- 56. Regal Products Limited,
186, Royapettah High Road, Royapettah,
Madras-15.
- 57. Research Chemical Laboratories,
30, Alamelumangapuram, Mylapore, Madras.

APPENDIX I - Contd.

- *58. Royal India Industries,
Zaverchand Laxmichand Street, Mandvi Road,
Baroda.
- 59. Sardar Malik Singh,
Subhasnagar, Bareilly.
- 60. Shambhoo Company,
Barabanki (U.P.).
- 61. Shelat Brothers,
No. 8, Lokmudas Street, P.T. Madras.
- @62. Sheth & Company,
72, Chamba Gally, Bombay-2.
- *63. Shiv Chemical Works,
New Ganeshganj, Lucknow.
- 64. Shreyakar's Student Ink Manufacturing Company,
386, Anandwadi, Shahapur, Belgaum.
- 65. Stewart Laboratories,
327, Hornby Road, Bombay-1
- *66. C.N. Subramanian & Company,
44, Bunder Street, Madras-1.
- *67. Sulekha Works Limited,
Gariahat Road(South), Jadavpur, Calcutta-32.
- *68. Super Toilet & Chemical Company Limited,
2, Ahiritola 1st lane, Calcutta-5.
- *69. Supreme Chemical Industries,
Aki'vidu (West Godavari).
- *70. Techno Chemical Industries Ltd.,
P.B. No. 74, Calicut.
- *71. True Ink Manufacturing Company,
79, Wellesley Street, Calcutta-13.
- 72. Valji & Company,
Gadag.
- 73. Victory Soap Works,
Ulundurpet (South India).
- *74. Vishnu Brothers,
7, Jawahar Lal Nehru Road, Allahabad.

APPENDIX I-Contd.

B. PRODUCERS' ASSOCIATIONS:

- *1. All India Ink Manufacturers' Association,
141, Govindappa Naick Street, Madras.
- 2. Ink Manufacturers' Association of West Bengal,
19, Strand Road, Calcutta.
- *3. Stationery and Office Equipment Association of India,
P-11, Mission Row Extension, Calcutta-1.

C. IMPORTERS:

- *1. Latham Abercrombie & Company Limited,
Forbes Building, Home Street, Fort, Bombay.
- 2. Champaklal & Company,
195/7, Abdul Rehman Street,
Bombay-3.
- *3. Chhaganlal Keshavjee,
22-A, Parsee Bazar Street, Fort, Bombay.
- 4. C.S. Brothers & Company,
Dhal's Street, 2040, Kamanwali Lane,
Ahmedabad.
- *5. Dodge & Seymour (India) Limited,
Laxmi Building, Ballard Estate, Bombay-1.
- *6. English & Scottish Joint Co-operative
Wholesale Society Limited,
Post Box No. 59, Calicut (South India).
- *7. Higginbothams Limited,
Post Box No. 311, Mount Road, Madras.
- *8. T.T. Krishnamachari & Company,
41, Linghi Chetty Street, Post Box No. 200,
Madras.
- *9. J.L. Morrison, Son & Jones (India) Limited,
Universal Building, Sir P.M. Road, Bombay-1.
- *10. Lalwani's,
Silver Jubilee Park Road, Post Box No. 49,
Bangalore-2.
- 11. Levetus & Company,
28-A, Pollock House, Calcutta-1.
- 12. P.R. Nathan & Company,
2/285, China Bazar Road, Madras.

APPENDIX I -Contd.

- *13. M.G. Shahani & Company (Bombay) Limited,
Advani Chambers, Sir P.M. Road,
Fort, Bombay-1.
- 14. J.M. Seth,
3, Bunder Street, Madras.
- *15. T.A. Taylor & Company (Madras) Limited,
100, Armenian Street, P.B. No. 51,
G.T. Madras.
- 16. Wilson & Company,
North Railway Terminus Road,
Post Box No. 2, Royapuram, Madras.

D. CONSUMERS:

- *1. The Deputy Controller of Stationery,
Government of India Stationery Office,
3, Church Lane, Calcutta.
- *2. The Director,
Government of Printing & Stationery,
Near Charni Road Railway Station, Bombay.
- *3. The Municipal Commissioner,
Bombay Municipal Corporation,
Corporation Building, V.T., Bombay.

E. GOVERNMENT DEPARTMENTS:

- *1. The Industrial Adviser (Chemicals),
Ministry of Commerce and Industry (Development Wing),
Government of India, Shahjahan Road, New Delhi.
- 2. The Director General of Supplies & Disposals,
Ministry of Works, Housing & Supply,
Government of India, Shahjahan Road, New Delhi.
- *3. The Chief Controller of Imports,
New Delhi.
- *4. The Director of Industries,
Old Custom House Yard, Fort, Bombay.
- 5. The Director of Industries & Commerce,
Madras-6.
- 6. The Director of Industries & Commerce,
Government of Mysore,
Bangalore.

APPENDIX I -Contd.

- *7. The Director of Cottage Industries,
Government of Uttar Pradesh,
Kanpur.
- *8. The Director of Industries,
Government of West Bengal,
7, Council House Street, Calcutta.

F. COLLECTORS OF CUSTOMS AND CENTRAL EXCISE:

- *1. Collector of Customs,
Bombay.
- *2. Collector of Customs,
Calcutta.
- *3. Collector of Customs,
Cochin, P.O. Willingdon Island.
- *4. Collector of Central Excise,
Jamnagar (Saurashtra).
- *5. Collector of Customs,
Madras.

G. OTHERS:

Andhra Chamber of Commerce,
Armenian Street, G.T. Madras.

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APPENDIX II
[Vide paragraph 2(d)]

*List of persons who attended the Commission's public inquiry
on 14th July, 1953, and gave evidence.*

A. PRODUCERS' ASSOCIATIONS AND PRODUCERS:

1. Shri R. Sambasiva Rao Representing All India Ink Manufacturers' Association,
141, Govindappa Naick Street,
G.T. Madras.
and
National Products Syndicate
(Distributors of Krishnaveni
Inks), "Ink Mansion",
141, Govindappa Naick Street,
Madras.
2. " N. Maitra Stationery & Office Equipment
Association of India,
P-11, Mission Row Extension,
Calcutta. 1.
and
Sulekha Works Limited,
Gariahat Road (South),
Jadavpur, Calcutta-32.
3. " A.K. Bose Stationery & Office Equipment
Association of India,
P-11, Mission Row Extension,
Calcutta- 1.
and
Super Toilet & Chemical
Company Limited,
2, Ahiritola 1st lane,
Calcutta.
4. " H.N. Nundy Stationery & Office Equipment
Association of India,
P-11, Mission Row Extension,
Calcutta-1.
and
Chemical Association,
Calcutta.

IX II -Contd.

Mr. A.N. Sen

Representing Stationery & Office Equipment
Association of India,
P-11, Mission Row Extension,
Calcutta-1.

and
Sundry Chemical Industry,
Calcutta.

" D.P. Dandekar }
" B.M. Athavale }
" K.B. Kulkarni }

" Camlin Limited,
(Managing Agents - Dandekar
& Company),
Ram Baug, Lady Jamshedji Road,
Bombay-28.

" V.G. Gangal

" Kale's Sales Association Limited
Standard House,
Opposite Bail Bazar,
Old Kurla, Bombay.

" P.T. Gadre }
" M.P. Joshi }

" Kale's Ink Manufacturing
Company, Ranade Bungalow,
Subhasnagar, Kurla,
Bombay.

" T.S.R. Acharya

" Parker Pen Company (India)
Limited,
[Managers:- T.A. Taylor & Co.
(Madras Limited)],
100, Armenian Street, P.B.51,
Madras-1.

" G.N. Sarma

" Dayalbagh Ink Factory,
Kakinada (South India).

" Bhagwatlal M. Shah }
" J.R. Modi }

" Harihar Research Works,
Mandvi's Street,
Ahmedabad.

" Heman Alreja

" H.D. Nariman Brothers,
Nariman House,
269, Dr. Cowasji Hormusji St.,
Dhobi Talao, Bombay.

Shri T.S.R. Acharya also represented the Importers, viz., Messrs.
T.A. Taylor & Company (Madras) Limited, Madras.

APPENDIX II -Contd.

B. IMPORTERS:

- | | | |
|----|-------------------------------------|--|
| 1. | Shri Beram C.H. Gszdar Representing | Dodge & Seymour (India) Limited,
Laxmi Building,
Ballard Estate, Bombay. |
| 2. | " S.N. Aiyer | " T.T. Krishnamachari & Co.,
41, Linghi Chetty Street,
Post Box No. 200, Madras. |
| 3. | " P.P. Borkar | " Latham Abercrombie & Co. Ltd.,
Forbes Building, Horse Street,
Fort, Bombay-1. |

C. CONSUMERS:

- | | | |
|----|--|--|
| 1. | Dr. M.R. Mandlekar,
Deputy Director of
Industries. | } Director of Industries,
Government of Bombay,
Old Custom House Yard,
Fort, Bombay-1. |
| 2. | Shri V.V. Divatia,
Deputy Director of
Industries (Commercial
Intelligence & Statistics) | |
| 3. | Shri S.A. Sapre,
Assistant Director. | " The Director,
Government Printing & Stationery,
Near Charni Road Railway Station,
Bombay. |

D. OTHERS:

- | | |
|---|---|
| Dr. K.G. Methur,
Assistant Director. | " National Chemical Laboratory,
Poona. |
|---|---|



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APPENDIX III

[*vide* paragraphs 4 (b) and 5 (a)]

STATEMENT SHOWING THE RATED CAPACITY OF FACTORIES PRODUCING FOUNTAIN PEN INK AND THE ACTUAL PRODUCTION IN THE PERIOD 1950 TO 1952

Serial Number	Name and Address of the factory	Annual rated capacity	ACTUAL PRODUCTION			Remarks
			1950	1951	1952	
1	2	3	4	5	6	7
A. GOMHAY:						
1.	Camlin Limited, 210, Lady Dwyer's Road, Bombay.	220,310	84,482	99,898	107,268	
2.	Tale's Sales Association Ltd., Standard House, 997, Baji Nagar, Old Faria, Bombay.	40,000	80,000	80,000	80,000	(Oct. '50-Sep. '51) (Oct. '51-Sep. '52)
3.	Kale's Ink Manufacturing Company, Pankaj Bunglow, Subhan Nagar, Surat, Bombay.	72,000	27,660	48,000	45,800	
4.	Barthel Research Works, Merch's Street, Ahmedabad.	65,000	19,096	24,940	25,405	
5.	Vallji & Company, Gadag.	32,000*	6,213*	8,900*	8,213*	
6.	H.O. Marham Brothers, 896, Dr. Chimanji Barmaji St., Bhood Talao, Bombay.	N.A.	2,000	1,076	1,480	Sales figures
7.	Royal India Industries, Zaverchand Laxmidhand Street, Baroda.	N.A.	2,870	3,070	2,317	
8.	Student Ink Mfg. Co., 285, Grand West, Shahpur, Bikaner.	N.A.*	530*	600*	600*	
9.	Empress Chemical Works, Mipani, Pich. Bikaner.	N.A.*	266*	630*	45*	
TOTAL		450,979 (6 units)	206,009 (9 units)	299,846 (9 units)	244,541 (9 units)	

APPENDIX III-Contd.

1	2	3	4	5	6	7
E. MADRAS						
10.	National Products Syndicate, (Krisna Veni Inks) Ink Maudon, 141, Govindappa Baick Street, Madras.	125,000	N.A.	45,583	29,246	
11.	Neel Kail Inks, Kala Parientat, Tiratli.	320,000	40,000	40,000	40,000	
12.	Supreme Chemical Industries, Ardion, (West Socavari).	332,000	N.A.	80,000	44,667	
13.	Duvalbag Ink Factory, Madinada.	200,000	15,495	20,800	31,866	
14.	Shelat Brothers, No. 8, Lakshmi Street, Madras.	N.A.	N.A.	12,730	11,240	
15.	Remin Ink Company, Madras.	86,000	N.A.	29,570	15,727	(for 7 months)
16.	Techno Chemical Industries Limited, P.O. Box No. 74, Kozhikode.	20,000	2,430	6,238	1,554	
17.	N.V. & Sons, Brucetpatt, Sellary.	15,000	2,172	2,250	2,715	
18.	Kohlner Industrials (India), Kallierpur P.O.	4,800	1,270	1,232	806	
19.	C.N. Subramanian & Co., 44, Butler Street, Madras.	N.A.	1,811	2,190	2,280	
20.	Cottage Ink Industry, Kadiri (Calicut).	1,333	610	600	632	
21.	Pilot Pen Company (India) Limited, Catholic Centre, Aramian Street, Madras.	360,000	-	-	(a)	(a) The firm has provided 84,238 doz. bottles of 2 oz. each during period from 15-10-52 to 31-9-53.
22.	Parker Pen Company (India) Limited, 210, Aramian Street, Madras.	300,000	-	-	-	
TOTAL						
		1,749,133 (11 units)	65,938 (7 units)	340,042 (11 units)	182,344 (11 units)	

APPENDIX III-Contd.

1	2	3	4	5	6	7
C. UTTAR PRADESH:						
22.	India Ink & Chemical Industries, 86, Rutledge Road, Lucknow.	45,800	804	3,480	2,400	
23A.	BSR Chemical Works, New Ganeshganj, Lucknow.	15,854 (b)	-	-	600	(b) The capacity figure as given by the Director of Industries, U.P., Kanpur is 1,500 doz. bottles of (for 8 months) 2 oz. each.
23B.	Industrial Research House, 86, Farnhill Road, Allahabad.	4,000	-	-	334	
24.	Pashua Picture Mart, Rajchaur, Muzaffarnagar (Muzaffarnagar District)	4,000	144	140	262	
27.	Monarch Ink Mfg. Company, Badliya.	N.A.	5,000	5,000	5,000	
28.	Shagmati Press & Co. (Printer Ink Mfg. Co.) Kumbhara, Agra.	2,000	5,120	5,240	3,196	The Director of Industries, U.P., Kanpur, has stated that the firm's capacity is 800 doz. bottles per year and its production is about 800 doz. bottles of 2 oz. each per year.
29.	Vidani Brothers, 7, Jansambhal Nandri Road, Allahabad.	2,180	1,800	1,800	1,800	The capacity figure given by the Director of the Cottage Industries, U.P., Kanpur, is 45,800 doz. bottles of 2 oz. each
30.	Agrawal Brothers, Bhaironath, Benares.	2,100	-	720	940	
31.	Joty Industries (India), Royal House, Lucknow.	1,800	-	-	800	
32.	Raj Chemical Works, Polinjee Road, Benares.	1,440	-	-	-	
33.	Quality Chemical Laboratory, Kuchhari Road, Lucknow.	1,200	-	-	100	
34.	Raj Limited, Chowk, Kanpur.	2,160	2,000	2,000	2,000	
35.	Shambhu & Company, Farneshki.	1,000	400	500	300	
36.	Sala Industries Limited, Airona Gazi, Moradabad.	750	450	450	450	

APPENDIX III -Contd.

1	2	3	4	5	6	7
57.	Sri Radhey Shyam Chattri, Udyog Bhawan, Miroba.	5008	5008	5008	5008	5008
58.	Sardar Malik Singh, Bachchanagar, Bareilly.	5008	5008	5008	5008	5008
59.	Agro Industrial Agency, Doria.	1448	-	-	-	5008
T O T A L		85,768 (16 units)	15,708 (10 units)	17,830 (11 units)	17,819 (16 units)	

D. WEST BENGAL

40.	Sulakra Works Limited, Jadavpur, Calcutta.	164,000	17,484	45,400	70,898	
41.	Chemical Association (Calcutta), 55, Camling Street, Calcutta.	72,000X	24,400X	54,792X	52,400X	
42.	Super Toilet and Chemical Co. Ltd., 2, Abirpola 1st Lane, Calcutta-8.	500,000X	14,400	14,560	19,176	
43.	P.M. Sengul & Co Ltd., 19, Gull-Osciger Lane, Calcutta-8.	26,000X	5,391X	5,489X	2,483X	
44.	A Choudhary & Co., 16/C & E, Fern Road, Calcutta-19.	26,000	8X	50X	70X	
45.	Radius Laboratory, 26, Jogendra Bosek Road, Calcutta-34.	96,800X	N.A.X	N.A.X	5,000X	
46.	Lilly Chemical Works, 3, Ram Kanta Sen Lane, Calcutta-4.	840,000X	N.A.X	N.A.X	N.A.X	
47.	Gripex (India) Ltd., C-6, Olive Buildings, 8, Betaji Sobhas Road, Calcutta-1.	72,000 (c)	2,570X	5,180	1,086	(c) The capacity of this unit as given by the Director of Industries, West Bengal, is 3,400 dos. bottles of 2 oz. each.
48.	Profile (India) Ltd., Jadavpur Colony, Calcutta-98.	8,000 (d)	968	128	408	(d) The capacity of this unit as given by the Director of Industries, West Bengal, Calcutta, is 80,000 dos. bottles of 2 oz. each.

APPENDIX III -Contd.

1	2	3	4	5	6	7
49.	Unite Trading Co., 76, Lower Circular Road, Calcutta.	144,000Z	1,540X	2,100X	4,380X	
50.	L.V. Ball & Co., Ram Mohan Road, P.O. No. 128, Calcutta.	N.A.	N.A.	5,300Z (certificated)	3,327Z	
TOTAL		1,185,500 (50 units)	87,132 (8 units)	114,775 (9 units)	130,881 (10 units)	
E. A. S. A. N.:						
51.	Asam Perfumery and Industrial Works, Kamarkar-Pespur (Assam).	N.A.	N.A.	8400	8670	
F. M. Y. S. O. R. E.:						
52.	General Essentials Mfg. Co. & Laboratories, 24, 000 Bengalora.		N.A.	5,580 (July-Dec.)	10,620	
G. T. R. A. V. A. N. C. O. R. E. - C. O. O. C. H. I. N.:						
53.	Penna Industries, Travancore.	24,000Z	N.A.	N.A.	1,938Z	
GRAND TOTAL		3,518,867 (64 units)	240,867 (24 units)	617,515 (42 units)	897,974 (49 units)	

- NOTES: (1) All the figures of capacity and production have been converted into dozen bottles of 2 oz. each.
(2) 1 Gallon = 120 oz.
(3) Figures of production for serial numbers 11, 27, 29, 34, 36, 37 and 38 are average annual production figures.
(4) X Indicates factories established after the last Tariff Inquiry.
(5) * Indicates information furnished by the Director of Industries, Bombay.
(6) S Indicates information furnished by the Director of Cottage Industries, U.P., Kanpur.
(7) Z Indicates information furnished by the Director of Industries, West Bengal, Calcutta.
(8) @ Indicates information furnished by the Ministry of Commerce and Industry (Development Wing - Chemicals).
(9) N.A. = Information not available.

APPENDIX IV
(Vide paragraph 10)
STATEMENT SHOWING THE C.I.F. PRICES, CUSTOMS DUTY, CLEARING CHARGES, Landed COSTS
AND SELLING PRICES OF IMPORTED BOTTLE IN PEN INKS.

S.No.	Source of information.	Origin of import.	Date of import.	Type and specification.	C.I.F. price.	Customs duty.	Clearing charges.	Landed cost.	Selling price.	REMARKS.
1	2	3	4	5	6	7	8	9	10	11
(A) 2 oz. bottles per dozen.										
1.	Collector of Customs, Madras.	U.E.	28-7-1952	SWAN	4-5-0	1-11-2	-	5-0-0	-	
2.	-do-		20-11-1952		4-12-0	1-13-11	-	5-10-0	-	
3.	Collector of Customs, Bombay.		NOV., 1952		3-0-0	1-2-11	-	4-5-0	-	
4.	Collector of Customs, Madras.		16-1-1953		4-2-0	1-10-0	-	5-12-0	-	
5.	-do-		20-1-1953		4-1-0	1-9-7	-	5-11-0	-	
6.	-do-		10-2-1953		3-15-0	2-10-0	-	5-9-0	-	
7.	-do-		25-4-1953		4-3-0	2-12-9	-	7-0-0	-	
8.	Collector of Customs, Bombay.		18-5-1953		3-13-0	2-7-8	44	5-3-0	-	
9.	Collector of Customs, Calcutta.		4-6-1953		3-15-0	2-10-0	0-7-0	7-0-0	-	
10.	Collector of Customs, Madras.		10-6-1953		3-15-0	2-10-0	0-8-0	7-1-0	-	
11.	Collector of Customs, Bombay.		25-6-1953		3-11-0	2-7-8	44	5-3-0	-	
12.	M/s. H.D. Sahani & Co. (Bombay) Ltd., Bombay.		-		4-9-0	1-12-9	-	5-4-0	11-0-0	
13.	M/s. T.A. Taylor & Co. (Madras) Ltd., Madras.		27-10-1952	QUINK	6-9-0	2-9-0	0-0-9	9-2-2	15-0-0	
14.	Collector of Customs, Bombay.		15-1-1953		7-8-0	5-0-0	44	12-10-0	-	
15.	-do-		29-4-1953		8-9-0	4-5-9	0-0-9	10-15-8	18-0-0	
16.	Collector of Customs, Madras.		13-6-1953		8-14-0	4-8-4	0-8-0	11-15-4	-	Imports of this brand are infrequent.
17.	Collector of Customs, Calcutta.		8-7-1953		7-6-0	4-14-0	1-0-0	13-4-0	-	C.I.F. price is approximate.
18.	Latham Abercrombie & Co. Ltd., Bombay.		-	WATERMAN	3-8-0	2-5-4	-	8-0-0	18-0-0	Figures arrived at based on latest quotations received from respective manufacturers and/or shippers.
19.	M/s. T.T. Krishnaswami & Co., Madras. U.E.		-	WATERMAN (packed bottles)	3-8-0	2-5-4	0-2-8	6-0-0	45-0-0	(*) Note to customers.

APPENDIX IV -Contd.

1	2	3	4	5	6	7	8	9	10	11
20.	Collector of Customs, Calcutta.	AUSTRALIA	24-3-1953	SRMP	8-30-0	4-6-0	1-0-0	12-0-0		C.i.f. prices 1s approximate.
21.	M/s. Latham Abercrombie & Co. Ltd., Bombay.	"	"	"	7-6-6	5-0-4	-	13-0-0	30-0-0	
22.	M/s. T.T. Krishnaswami & Co., Madras.	"	"	"	7-8-0	5-0-0	40-0-0	13-0-0	420-0-0	Wines arrived at based on latest quotations received from respective manufacturers and/or shippers. *includes bank charges for opening L.C. etc. *Rate to consumers.
				(with individual cartons)						
23.	Collector of Customs, Bombay.	AUSTRALIA	7-3-1953	SRMP	3-0-0	5-5-4	**	13-0-0	-	
24.	Collector of Customs, Bombay.	U.K.	16-1-1953	QTIME	10-0-0	6-10-8	**	13-12-6	-	
25.	-do-	"	7-5-1953	"	10-0-0	6-10-8	**	13-12-6	-	
26.	-do-	AUSTRALIA	7-3-1953	SRMP	10-0-0	6-10-8	**	13-11-0	-	
27.	M/s. Elmhursts Ltd., Madras.	U.K.	5-11-1952	4 oz. bottles	8-6-0	5-5-0	0-4-0	11-15-0	24-0-0	They have not imported 2 oz. bottles.
28.	Collector of Customs, Bombay.	U.K.	15-6-1953	SWM	16-16-0	12-10-0	**	31-1-0	-	
29.	Collector of Customs, Madras.	U.K.	28-4-1953	STPMN No. 392	28-10-0	13-1-0	2-8-0	50-3-0	-	Imports of this brand are infrequent.
30.	Collector of Customs, Bombay.	U.K.	15-5-1953	SWM	39-1-0	28-0-8	**	65-8-0	-	
31.	-do-	U.K.	8-6-1953	"	39-1-0	23-0-8	**	65-8-0	-	

Rs. 1/- per case including cartage plus wharf charges. + 8 annas per Rs. 100/- (on value basis).

(B) 4 oz. bottles per dozen.

(C) 2 oz. bottles per dozen.

(D) 32 oz. bottles per dozen.

(E) 48 oz. bottles per dozen.

APPENDIX V
[vide Paragraph 7 (b)]

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

IMPORT TRADE CONTROL

New Delhi, the 18th April, 1953.

PUBLIC NOTICE

SUB.- Import of Fountain Pen Ink, Copying and Coloured Pencils during January-June, 1953.

No.69-ITC(PN)/53:- The attention of the importers is invited in the entries against S.No. 168 (b) of Part IV in Appendix 'A' to the Red Book for January-June 1953. It has now been decided to grant additional licences equal to $\frac{1}{5}$ th of the face value of the quota licences granted for the articles falling under S.No. 168(b) of Part IV. This additional licence will be valid for the import of (i) Fountain pen ink and (ii) Copying and Coloured pencils, subject to the following restrictions:-

- (i) Not more than $\frac{1}{20}$ th of the face value of this additional licence can be utilised for the import of fountain pen ink.
- (ii) Copying and coloured pencils whose c.i.f. value is not less than Rs. 20/- per gross only can be imported against the additional licence.

2. Applications for import licences should reach the licensing authority in the prescribed form and manner together with the exchange control copy of the January-June 1953 licence for 168(b) Part IV, as early as possible and in any case not later than the 15th May, 1953.

K.B. LALL,

JOINT SECRETARY TO THE GOVERNMENT OF INDIA.



सत्यमेव जयते

**LIST OF THE REPORTS OF THE INDIAN TARIFF BOARD
PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI**

I. TARIFF INQUIRIES

(A) New Cases

1. Sodium Thiosulphate, sodium sulphite (anhydrous) and sodium bisulphite (1946)	PTB 158
2. Bichromates (1946)	PTB 157
3. Phosphates and phosphoric acid (1946)	PTB 156
4. Butter colour and aerated water powder colour (1946)	PTB 154
5. Calcium chloride (1946)	PTB 153
6. Coated abrasives (other than grinding wheels) (1946)	PTB 159
7. Hurricane Lanterns (1946)	PTB 152
8. Cocoa powder and chocolate (1946)	PTB 155
9. Wood screws (1946)	PTB 99
10. Bicycles (1946)	PTB 100
11. Caustic soda and bleaching powder (1946)	PTB 88
12. Antimony (1946)	PTB 94
13. Sewing machines (1947)	PTB 101
14. Aluminium (1946)	PTB 90
15. Steel baling hoops (1946)	PTB 87
16. Grinding Wheels (1946)	PTB 93
17. Preserved fruits (1946)	PTB 145
18. Non-ferrous metals (1946)	PTB 146
19. Cotton textile machinery (ring frames, spindles and spinning rings) (1947)	PTB 111
20. Rubber manufactures (1947)	PTB 110
21. Sodium and potassium metabisulphites (1947)	PTB 105
22. Alloy tool and special steel (1947)	PTB 118
23. Sodium sulphide (1947)	PTB 102
24. Electric Motors (1947)	PTB 112
25. Dry battery (1947)	PTB 115
26. Plywood and teachests (1947)	PTB 113
27. Cotton and hair belting (1947)	PTB 121
28. Starch (1947)	PTB 103
29. Glucose (1947)	PTB 104
30. Chloroform, ether sulphuric p.b. and anaesthetic and potassium permanganate (1947)	PTB 109
31. Fire hose (1947)	PTB 120
32. Steel belt lacing (1947)	PTB 119
33. Ferro-silicon (1947)	PTB 116
34. Stearic acid and oleic acid (1947)	PTB 117
35. Machine tools (1947)	PTB 114
36. Wire healds (1948)	PTB 123
37. Pickers (1948)	PTB 125
38. Motor vehicle batteries (1948)	PTB 122
39. Hydraulic brake fluid (1948)	PTB 129
40. Bobbins (1948)	PTB 128

41. Slate and slate pencils (1949)	
42. Expanded metals (1949)	
43. Cotton textile machinery (ring spindles, spinning rings and pl (1949)	
44. Small tools (1949)	
45. Plastics (1949)	
46. Soda ash (1949)	
47. Glass and glassware (1950)	
48. Sterilised surgical catgut (1950)	PTB 184
49. Liver extract (1950)	PTB 185
50. Fountain pen ink (1950)	PTB 183
51. Pencils (1950)	PTB 187
52. Fine chemicals (1950)	PTB 182
53. " " " " " "	PTB 186
54. " " " " " "	
55. " " " " " "	
56. " " " " " "	
57. " " " " " "	
58. " " " " " "	
59. " " " " " "	
60. " " " " " "	
61. Machine screws (1951)	
62. Zip fasteners (1951)	PTB 220
63. Electric Fans (1951)	PTB 212

(B) Review Cases

1. Iron and steel manufacturers (1947)	PTB 106
2. Paper and paper pulp (1947)	PTB 108
3. Cotton textile manufactures (1947)	PTB 98
4. Sugar (1947)	PTB 107
5. Magnesium chloride (1948)	PTB 124
6. Silver thread and wire (1948)	PTB 126
7. Bicycles (1949)	PTB 131
8. Artificial silk (1949)	PTB 132
9. Sericulture (1949)	PTB 133
10. Alloy tool and special steel (1949)	PTB 136
11. Sodium thiosulphate, sodium sulphite and sodium bisulphite (under section 4(1) of the Tariff Act) (1949)	PTB 140
12. Calcium chloride (1948)	PTB 148
13. Grinding wheels (under section 4(1) of the Tariff Act) (1949)	PTB 141
14. Hurricane lanterns (under section 4(1) of the Tariff Act) (1949)	PTB 144
15. Sugar (1949)	PTB 134
16. Preserved fruits (1949)	PTB 143
17. Coated Abrasives (under section 4(1) of the Tariff Act) (1949)	PTB 147
18. Antimony (1949)	PTB 161
19. Phosphates and phosphoric acid (1949)	PTB 164
20. Starch (1949)	PTB 163
21. Bichromates (1949)	PTB 168
22. Ferro-silicon (1949)	PTB 169

23. Sewing machines (1949)	PTB	170
24. Cocoa powder and chocolate (1949)	PTB	172
25. Electric motors (1949)	PTB	166
26. Steel belt lacing (1949)	PTB	171
27. Cotton and hair belting (1949)	PTB	173
28. Calcium chloride (1950)	PTB	175
29. Sugar (1950)	PTB	179
30. Potassium permanganate (1950)	PTB	176
31. Wood screws (1950)	PTB	177
32. Dry battery (1950)	PTB	180
33. Stearic acid and oleic acid (1950)	PTB	178
34. Plywood and teachests (1950)	PTB	181
35. Preserved fruits (1951)	PTB	198
36. Caustic soda		193
37.		200
38.		201
39.		196
40.		195
41.		197
42. Canned and bottled	PTB	206
43. Sericulture (1951)	PTB	215
44. Alloy tool and special steel (1951)	PTB	214
45. Sodium thiosulphate, sodium sulphite and sodium bisulphite (1951)	PTB	216
46. Grinding wheels (1951)	PTB	213
47. Starch (1951)	PTB	209

II. PRICE REPORTS

1. Cotton yarn and cloth prices (1948)	PTB	127
2. Paper prices (1948)	PTB	130
3. Fair ex-works prices of superphosphates (1949)	PTB	139
4. Fair retention prices of steel produced by Tatas and Scob (1949)	PTB	135
5. Ex-works costs of hot metal (iron for steel making) and fair ex-works prices of pig iron (Basic and foundry grade) (1949)	PTB	137
6. Fair retention prices of steel produced by Mysore Iron & Steel Works, Bhadravati (1949)	PTB	151
7. Fair retention prices of steel produced by the Tata Iron & Steel Co. and the Steel Corporation of Bengal (1951)	PTB	205
8. F. r. p. of Tinsplate produced by the Tinsplate Co. of India Ltd. (1950)	PTB	190
9. Revision of fair prices of superphosphate (1951)	PTB	210
10. Revision of fair prices of superphosphate (July-December 1951)	PTB	194
11. Raw rubber prices (1951)	PTB	199
12. Fair retention prices, ex-works, of pig iron (1951)	PTB	208

